

**Rhode Island Economic Development Corporation**

**Enterprise Zone Council**

**Minutes of Meeting of July 28, 2009**

**RIEDC: Narragansett Room**

**315 Iron Horse Way, Suite 101**

**Providence, RI 02908**

**In attendance:**

**COUNCIL AFFILIATION**

**D. Varin Vice Chairman**

**M. Wood League of Cities and Towns**

**B. Parsons RIEDC**

**OTHER AFFILIATION**

**V. Barros RIEDC**

**A. Crisman Mt. Hope Enterprise Zone**

**K. Cosentino City of Providence**

**J. Garrahy Moses & Afonso, LTD**

**L. Riendeau RI Division of Taxation**

**Vice Chairman Varin called the meeting of the Enterprise Zone Council to order at approximately 10:09 AM and noted that there was a quorum present.**

**The first order of business before the Council was Minutes from the June 16, 2009 Meeting**

**Mr. Varin asked for an action on the meeting minutes. Mr. Parson made the motion, which was seconded by Mr. Wood. Mr. Wood abstained from the vote because he was not in attendance at the meeting on June 16th.**

**Mr. Varin asked if there were any other comments or question. There being none all voted in favor. The motion was approved unanimously.**

**The next order of business before the Council was 2009 Recommendations for Membership.**

**Mr. Barros stated that there were two (2) businesses being recommended for 2009 membership and that staff recommended approval of both businesses as presented bring the year-to-date total to thirty eight (38) new member businesses for 2009.**

**Mr. Varin asked for a motion to approve. Mr. Parsons made the motion, which was seconded by Mr. Wood. Mr. Varin asked for any additional comments or questions.**

**Mr. Wood asked if Alteris Renewables, Inc., was a new company.**

**Mr. Barros explained that the company was previously known as SolarWrights.**

**Mr. Crisman added that SolarWright had been expanding and acquiring other companies, and formed this new business entity called Alteris Renewables, Inc.**

**There being no further discussion, all voted in favor and the motion was unanimously approved.**

**The next order of business before the Council was 2008 Recommendations for Certification.**

**Mr. Barros stated that were two (2) businesses being presented and that staff recommended approval of both businesses as presented bring the year-to-date total to seventy one (71) businesses approved for 2008 tax certification resulting in four hundred and fifty five (455) new full-time jobs.**

**Mr. Varin asked for a motion to approve. Mr. Wood moved the motion which was seconded by Mr. Parsons. There being no further discussion, all voted in favor and the motion was unanimously approved.**

**The next order of business before the Council was the Declaratory Ruling.**

**Mr. Garrahy explained that a decision on the declaratory ruling was deferred from the last meeting.**

**Mr. Barros added that the reason it was deferred was because the Council requested that the ruling reflect a more general tone as it related to the carry-forward issue at hand. He added that he and Mr. Garrahy discussed it and determined that a declaratory rule is, by its very nature, specific, and is the result a specific request from an originating source. Therefore the ruling should remain specific to the facts of Lumetta's original request for a declaratory ruling.**

**Mr. Wood asked if there was any addition respond from taxation?**

**Mr. Garrahy stated that taxation did received a copy of the ruling but did not respond. He also informed them as to the action taken by the Council with regard to Lumetta and All Paint, approving both companies for the respective carry forward authorization requests.**

**Mr. Wood asked if the proposed amendment to the rule is based on the declaratory ruling?**

**Mr. Garrahy stated the proposed amendment to the rules is not based on the ruling but based on a request from the Council to clarify the rules at it relates to companies seeking carry forward authorization. Making it clear in the language of the rules that any company seeking**

**carry forward authorization must receive that authorization from the Council.**

**A general discussion ensued about the impact of the declaratory ruling.**

**Mr. Varin asked for a motion to approve the declaratory rule, the motion was moved by Mr. Parsons and seconded by Mr. Wood. There being no further discussion, Mr. Varin asked for vote in favor of the motion. Mr. Parsons and Mr. Varin voted in favor of the motion. Mr. Wood abstained from the vote. The motion carried 2-0-1.**

**The next order of business before the was the Ratification of the 2005 Carry Forward Authorization for Lumetta, Inc.**

**Mr. Garrahy stated that the carry forward request for Lumetta was approved at the last meeting, however, concerns arose because it was not a formal agenda of the last meeting. Mr. Garrahy was concerned whether the action adhered to the Open Meetings requirements. As a result, he requested that a ratification of the Council's approval of Lumetta's request appear as a formal agenda item at this meeting.**

**Mr. Varin asked for a motion to approve the ratification, the motion was moved by Mr. Parsons and seconded by Mr. Wood. There being no further discussion, Mr. Varin asked for vote in favor of the motion.**

**Mr. Parsons and Mr. Varin voted in favor of the motion. Mr. Wood abstained from the vote. The motion carried 2-0-1.**

**The next item on the agenda was a the Proposed Amendment to the Rules of Procedure.**

**Mr. Barros stated the public hearing on the proposed amendment to the rules was scheduled for August 25, 2009 at 9:30 am. Thirty minutes prior to the start of the regular August Council meeting. He added that this agenda item is for informational purposes, designed to provide the Council with a copy of the exact language of the amendment to the rules.**

**Mr. Wood made a motion to receive and file which was seconded by Mr. Parsons. There being no further discussion all voted in favor and the motion passed unanimously.**

**Under new business, Mr. Barros stated that two (2) enterprise zones are set to expire at the end of the year: East Providence and Portsmouth/Tiverton. He said that he would be sending out letters and information to the municipalities on the zone re-designation process.**

**Mr. Barros talk brief about his intent to proactively look at ways of strengthening the program and increasing its overall effectiveness. He used the provision in the law that mandates a coordination**

between other state agencies as an example.

Mr. Wood suggested a workshop designed to address this issue and to float ideas would be warranted.

Mr. Crisman pointed out that the program is more than the tax credit. He posed the question, should we be sponsoring legislation that incorporates that tax credit separately. He added that the workshop would be a great opportunity to investigate this and other issues.

There being no other business to come before the Council, Mr. Varin asked for a motion to adjourn. Mr. Wood moved to adjourn. Mr. Parsons seconded the motion. The motion was approved unanimously and the meeting was adjourned at 10:50 a.m.

**Rhode Island Economic Development Corporation**

**Enterprise Zone Council**

**Minutes of Meeting of June 16, 2009**

**RIEDC: Narragansett Room**

**315 Iron Horse Way, Suite 101**

**Providence, RI 02908**

**In attendance:**

**COUNCIL AFFILIATION**

**R. Caniglia Stand Corp.**

**D. Varin Vice Chairman**

**B. Parsons RIEDC**

**D. Langley Urban League of RI**

#### **OTHER AFFILIATION**

**V. Barros RIEDC**

**A. Crisman Mt. Hope Enterprise Zone**

**K. Cosentino City of Providence**

**W. Clark Town of Portsmouth**

**J. Garrahy Moses & Afonso, LTD**

**J. Polucha City of Woonsocket**

**L. DiBoni City of Cranston**

**Robert Griffith Statewide Planning**

**Vice Chairman Varin called the meeting of the Enterprise Zone Council to order at approximately 10:10 AM and noted that there was a quorum present.**

**The first order of business before the Council was Minutes from the April 28, 2009 Meeting**

**Mr. Varin asked for an action on the minutes that went out with the agenda. Mr. Caniglia made the motion, which was seconded by Mr. Langley. Mr. Parsons abstained from the vote because he was not in attendance at the last meeting.**



**Mr. Varin asked if there were any other comments or question. There being none all voted in favor. The motion was approved.**

**The next order of business before the Council was 2009 Recommendations for Membership.**

**Mr. Barros stated that there were four (4) businesses being recommended for 2009 membership and that staff recommended approval of all four (4) businesses as presented bring the year-to-date total to thirty six(36) new member businesses for 2009.**

**Mr. Crisman asked if the report should indicate the 2009 benchmark instead of 2008?**

**Mr. Barros reviewed the report and agreed that the category should indicate the 2009 benchmark, not 2008. He added that he would correct the report going forward.**

**Mr. Varin asked for a motion on the staff recommendations for membership with the correction noted. Mr. Caniglia made the motion, which was seconded by Mr. Parsons. Mr. Varin asked for any additional comments or questions.**

**There being no further discussion, all voted in favor and the motion was unanimously approved.**

**The next order of business before the Council was 2008 Recommendations for Certification.**

**Mr. Barros stated that were six (6) businesses being presented and that staff recommended approval of all six (6) businesses as presented bring the year-to-date total to sixty nine (69) businesses approved for 2008 tax certification resulting in four hundred and forty nine (449) new full-time jobs.**

**Mr. Barros directed the Council's attention to the wage/job report that accompanied the recommendation.**

**Mr. Clark inquired about Dassault Systemes Simulia Corporation. He added that the company appears to have a high wage work environment. Mr. Barros agreed and added that the company, located right down the street on Valley Street, has a high level of intellectual capacity and property thus the high wage levels.**

**Mr. Caniglia asked if it was a new company. Mr. Barros explained that Simulia, a Belgian company, bought an existing IT company called Abaqus several years ago and have significantly grown the business and it workforce.**

**Mr. Varin asked for a motion to approve the recommendations for 2008 certification. Mr. Parsons made the motion which was seconded**

**by Mr. Caniglia. There being no further discussion, all voted in favor and the motion was unanimously approved.**

**The next order of business before the Council was the request for 2008 carry forward authorization.**

**Mr. Varin directed the Council's attention to the carry forward authorization report and asked Mr. Barros to present the report.**

**Mr. Barros stated that there was one (1) business being presented for carry forward authorization and that the business, PRI XVIII, L.P, had satisfied all of the requirements for carry forward authorization and staff recommended approval of this request for carry forward authorization.**

**Mr. Varin asked for a motion to approve the carry forward request. Mr. Langlely made the motion which was seconded by Mr. Parsons. There being no further discussion, all voted in favor and the motion was unanimously approved.**

**The next order of business before the was the Declaratory Ruling for Lumetta, Inc.**

**Mr. Varin informed the Council that this agenda item was discussed at the last Council meeting. Lumetta's attempt to use a EZ tax credit**

carry forward was denied by taxation because it did not have an approval letter from Council; however, the Mr. Garrahy has determined that there is no statutory requirement for Council approval of carry forward request.

Mr. Garrahy prepared a declaratory ruling which stated that the Council should authorize Lumetta's carry forward request, notwithstanding the fact the carry forward authorization had not been obtained, so long as they had met all other requirements of the statute. He added that at the last meeting the Council suggested that the prepared declaratory rule be submitted to legal counsel for the Division of Taxation for their comment, and due to an e-mail address problem it only recently was delivered to the division. As a result, Mr. Garrahy suggested that the item be tabled until the next Council meeting.

Mr. Barros stated that because Mr. Parsons was not at the last meeting, a brief recap the situation that resulted in declaratory ruling would be helpful. He explained that Lumetta earned an EZ tax credit in calendar year 2002 and sought to claim an unused portion of that credit in 2005. The Division of Taxation denied their request because it lacked a carry forward authorization letter from the Council. Lumetta immediately contacted Mr. Barros and asked how to go about getting authorization from the Council. They were directed to make a formal request for the 2005 carry forward authorization from the Council.

**Mr. Barros requested that an e-mail from Mr. Wood on this subject be included in the minutes of the meeting:**

**Victor, as you know I won't be at Tuesday's meeting unless my schedule changes at the last minute. I want to express my position on the Declaratory Judgment. I do not support any business by-passing the Council (board) for any reason. These are significant tax dollars that are being credited and a full review of their status needs to be done whenever there are questions like this.**

**I don't see the rationale in the decision whereby the initial tax credit cannot by-pass the board but carry-forward credits can. Just because a company didn't use the credits when they were initially available shouldn't give them the automatic right to receive them without additional review – I'm assuming there was a reason why they weren't used and that reason may have been due to eligibility related circumstances where the board has jurisdiction. Regardless, that is always one of the possibilities and one policy/practice should fit all circumstances especially as it is our responsibility to properly vet all the applications on behalf of Rhode Island taxpayers.**

**It seems to me that carry forward credits should be handled the same, especially when the council's instructions to our participating businesses do make it clear that the council must authorize the carry forward. I'm assuming that those instructions may have been formally**

**adopted/voted by the council at some point in the past giving them some standing – even if they were not, it apparently is a longstanding practice which could be construed as a rule or regulation. And, it's very clear to me that the council's intentions/practices were very clear based on the instructions. That of course is legalese but it may be applicable.**

**I realize I won't be there to hear debate and/or dissenting viewpoints so I do defer to the other members. Regardless of what the other members decide, I do support a change to the rules and regulations to make it perfectly clear what has to be done and when. If there is anything else of a similar nature that need to be changed/clarified in our existing practices we should change those as well.**

**Mr. Parsons asked if the majority of companies seeking carry forward authorizations sought Council approval before taking the carry forward credits.**

**Mr. Garrahy explained that an instruction sheet that Mr. Barros includes in the annual year-end certification does clearly state that companies seeking carry forward authorization must be approved by the Council but such action is not required by the statute or the EZ rules of procedures.**

**A general discussion ensued about the declaratory ruling and its impact on current and future carry forward authorizations.**

**Mr. Varin asked for a motion to take the ruling under advisement until the next meeting. Mr. Parsons moved the motion which was seconded by Mr. Langley. Mr. Varin asked for comments.**

**Mr. Crisman expressed his concern over delaying action because the companies were being penalized by taxation for their delinquent tax status, in addition, there looked to be no legal bases for the Council to not approve their requests.**

**Mr. Diboni stated that if the rules of procedure do not require it then how would a company know that they need to come before the Council. He added that it appears that the Council has the authority to grant these requests and can change the rules to require Council approval going forward.**

**Mr. Garrahy responded by saying that companies are inform in the instructions that accompanies year-end certification that they must get Council approval to use the carry forward provision. He added that companies can take action themselves in district court by challenging the action of the Division of Taxation, regardless of what the Council does.**

**A general discussion ensued about the potential action by taxation as it relates to any potential Council action.**

**Mr. Caniglia suggested someone, staff or legal counsel, should contact the division to take the pressure off the companies as Council works through the issues related to these carry forward request for Lumetta and All Paint.**

**A general discussion ensued about whether or not a precedent has been set based on prior action of the Council related to carry forward approvals.**

**Mr. Polucha expressed concerned that this process had become too bureaucratic. The company was notified by taxation in March and it's June and the Council still has yet to make a decision on an issue where the company has not violate the law or the rules of procedure.**

**Mr. Parsons withdrew his motion to take the ruling under advisement until the next meeting. Mr. Langley who seconded the motion agreed withdraw his support of Mr. Parsons' earlier motion.**

**Mr. Diboni told the Council that it seemed to him that the Council owed both companies an answers and expressed his concern about the potential risk the Council faced by taking no action considering that the companies have done everything as prescribed by the law for the carry forward..**

**Mr. Caniglia added that he would hate to think that we are debating this thing to death when all that taxation is asking us to do is verify**



that the company has maintained its employment benchmark and obtained letters of good standing.

Mr. Parson exited the meeting but a quorum was still present.

Mr. Varin asked for a motion to take the declaratory ruling under advisement for further review, with the intent of making it a more general ruling as it relates to companies seeking carry forward authorization. Mr. Langley moved the motion which was seconded by Mr. Caniglia. There being no further discussion, all voted in favor and the motion was unanimously approved.

The next item on the agenda was a request for 2006 carry forward authorization for All Paint

Mr. Barros explained that All Paint was seeking 2006 enterprise zone tax credit authorization. They were eligible to carry forward unused portions of enterprise zone tax credit earned in 2003, 2004 and 2005. In each of those years their full-time employment increased (from eight (8) to thirteen (13)). It never decreased during that three year span. They also have provided letters of good standing from the local municipality, the Division of Taxation and the Secretary of State. As a result staff would recommend approval of All Paints' 2006 carry forward request.

Mr. Varin asked for a motion to approve All Paints request for 2006

carry-forward authorization . Mr. Langley moved the motion which was seconded by Mr. Caniglia. There being no further discussion, all voted in favor and the motion was unanimously approved.

Under old business, Mr. Varin asked the for a motion to consider agenda item IV from the Council meeting held on 3/24/09: a request by Lumetta for 2005 carry forward authorization, subject to verification of letters of good standing. Mr. Caniglia moved the motion which was seconded by Mr. Langley. All voted in favor and the motion passed unanimously.

Under new business, Mr. Varin asked Council to review a an proposed amendment the EZ rules of Procedures prepared by Mr. Garrahy. The language adds a requirement to the carry forward provision that a company must receive certification from the Council in order to claim an EZ tax credit carry forward.

Mr. Caniglia expressed concern that a business might become confused seeing two separate categories for certifications and he suggested that language be added to the effect of "... has received carry-forward certification from the Council pursuant ..."

Mr. Varin asked for a motion to schedule a public hearing on the proposed amendment to the EZ rules of procedures. Mr. Caniglia made the motion which was seconded by Mr. Langley. There being no further discussion the motion was approved unanimously.

**Mr. Varin asked if there was any other business to come before the Council. Mr. Barros provided an update on the status of the program and it proposed elimination. Mr. Varin stated that the local points of contact should try to keep as informed as they can in order to adequately inform local member business as to the status of the program.**

**There being no other business to come before the Council, Mr. Varin asked for a motion to adjourn. Mr. Caniglia moved to adjourn. Mr. Langley seconded the motion. The motion was approved unanimously and the meeting was adjourned at 11:11a.m.**

**Rhode Island Economic Development Corporation  
Enterprise Zone Council  
Minutes of Meeting of April 28, 2009  
RIEDC: Narragansett Room  
315 Iron Horse Way, Suite 101  
Providence, RI 02908**

**In attendance:**

**COUNCIL AFFILIATION**

**R. Caniglia Stand Corp.**

**D. Varin Vice Chairman**

**M. Wood League of Cities and Towns**

**D. Langley Urban League of RI**

**OTHER AFFILIATION**

**V. Barros RIEDC**

**M. Godin Needs, Inc.**

**A. Crisman Mt. Hope Enterprise Zone**

**K. Cosentino City of Providence**

**W. Clark Town of Portsmouth**

**L. Riendeau Division of Taxation**

**Micheal Canole Division of Taxation**

**J. Garrahy Moses & Afonso, LTD**

**J. Polucha City of Woonsocket**

**L. DiBoni City of Cranston**

**Robert G. Davies KLR**

**Vice Chairman Varin called the meeting of the Enterprise Zone Council to order at approximately 10:05 AM and noted that there was a quorum present.**

**The first order of business before the Council was the Minutes from the March 24, 2009 Meeting**

**Mr. Varin asked for a motion to approve the minutes. Mr. Caniglia made the motion, which was seconded by Mr. Wood.**

**Mr. Varin asked if there were any other comments or question. There**

**being none all voted in favor. The motion was approved unanimously.**

**The next order of business before the Council was 2009 Recommendations for Membership.**

**Mr. Barros stated that there were twelve (12) businesses being recommended for 2009 membership and that staff recommended approval of all twelve (12) businesses as presented bring the year-to-date total to thirty two (32) new member businesses for 2009.**

**Mr. Caniglia asked if Grace Barker Nursing Center was a new facility or a name change. Mr. Crisman stated that it was an existing business that was once enrolled in the program but let its membership lapse.**

**Mr. Polucha noted that T.E.A.M., Inc.'s product description is woven fabrics not women fabrics. Mr. Barros noted the correction.**

**Mr. Varin asked for a motion on the corrected recommendations for membership. Mr. Caniglia made the motion, which was seconded by Mr. Wood. Mr. Varin asked for any additional comments or questions.**

**There being no further discussion, all voted in favor and the motion was unanimously approved.**

**The next order of business before the Council was 2008 Recommendations for Certification.**

**Mr. Barros stated that were seven (7) businesses being presented and that staff recommended approval of all seven (7) businesses as presented bring the year-to-date total to sixty three (63) businesses approved for 2008 tax certification.**

**Mr. Caniglia noted that he felt West Warwick companies should have a better percentage of zone hires because the entire town designated as an enterprise zone.**

**He continued by asking if the three companies seeking certification from West Warwick were the result of better outreach efforts of the new town administration.**

**Mr. Barros stated the West Warwick has helped facilitate the certification of the three businesses seeking certification before the Council.**

**Mr. Varin asked for a motion to approve the recommendations for 2008 certification. Mr. Wood made the motion which was seconded by Mr. Caniglia. There being no further discussion, all voted in favor and the motion was unanimously approved.**

**The next order of business before the Council was the request for**

## **2008 carry forward authorization.**

**Mr. Varin directed the Council's attention to the carry forward authorization report which was revised and distributed before the meeting.**

**Mr. Barros stated that there was one (1) business added to the list which triggered the need for a revised report. The addition was a business from the Cranston EZ called A Safer Start LLC. In total there are two (2) businesses being presented for 2008 carry forward authorization. The businesses have satisfied all of the requirements for carry forward authorization and staff recommended approval of both businesses.**

**Mr. Varin asked for a motion to approve the companies requesting carry forward authorization. Mr. Langley made the motion which was seconded by Mr. Wood. There being no further discussion, all voted in favor and the motion was unanimously approved.**

**The next order of business before the was the Declaratory Ruling for Lumetta, Inc.**

**Mr. Barros gave a brief overview of the Lumetta's request for a prior year carry forward authorization from the Council. The company earned an EZ tax credit in 2002 and sought to utilize an unused portion of that credit in 2005. The Division of Taxation denied their**

request because it lacked a carry forward authorization letter from the Council.

Mr. Garrahy looked at the statutory framework and found that when you obtain the credit there is a clear requirement that the business must seek certification from the Council before they can claim an EZ tax credit on their tax returns, but there is no requirement to obtain authorization from the Council for a business to carrying forward a existing certified tax credit. There are requirements that must be met like maintaining an employment benchmark and obtaining letters of good standing but no specific requirement that says a business must seek and obtain authorization from the Council for utilization a carry forward.

He added that since Council authorization is not a requirement, it would be reasonable for the businesses to assume that they do not need to obtain specific authorization from the Council, as long as they obtained certification for the original credit and satisfied the other requirements for the carry forward utilization. This being the fundament rationale supporting the declaratory ruling.

He continued by stating that the year-end certification cover letter does address carry forward authorization and it states that a company must submit a letter requesting carry forward authorization to the Council but Council approval of carry forward requests is not a requirement in the enterprise zone law or its rules of procedure.



**He reminded the Council that they can amend the rules of procedure to requirement that all companies seek Council authorization to utilize carry forwards of existing tax credits.**

**Mr. Davies stated that Lumetta is a vibrant, growing RI company who earned EZ tax credits for growing employment and deserves to be able to use the carry forward provision.**

**Mr. Langley requested that staff check to see if this issue had surfaced before and how many companies it may affect.**

**Mr. Barros assured Mr. Langley that this specific issue as it relates to the carry forward authorization had not been previously addressed by the Council. He added that the number of companies potentially impacted only provides additional support of the need for a declaratory ruling and perhaps a amendment to the enterprise zone rules of procedure.**

**Mr. Wood stated that he was not comfortable issuing tax credits or carry forwards of tax credits to companies that circumvent the certification or authorization procedures.**

**A general discussion ensued about the Division of Taxation's role in notifying clients of disallowed carry forward tax credits.**

**Mr. Varin asked for a motion on the declaratory ruling. Mr. Wood asked that taxation weigh in on the content of the declaratory ruling before the Council consider a vote. Mr. Caniglia agreed with Mr. Wood's suggestion that the declaratory ruling should be reviewed by taxation for their comments before the Council's ruling.**

**A general discussion ensued about the process that has been in-place and the need to strengthening the requirements for carry forward authorization.**

**Mr. Wood asked if language for the proposed rule change could be ready for the next meeting. Mr. Barros stated that he and Mr. Garrahy could have such language ready for the next meeting.**

**Mr. Varin recapped the discussion by stating that Mr. Barros and Mr. Garrahy would seeking taxation's review of the ruling, prepare draft language to amend the rules and that the item should be continued to the next meeting.**

**Mr. Varin asked for a motion to continue Lumetta's request until the next meeting. Mr. Wood made the motion, and was seconded by Mr. Langley. There being no further discussion, all voted in favor and the motion was unanimously approved.**

**The next item on the agenda was the 2007 carry forward request by All Paint. Inc.**

**Mr. Barros stated that the All Paint request was ostensibly the same as Lumetta's, except the certification and carry forward years were different. The company claimed a tax credit on their 2007 tax return that was a carry forward of a tax credit awarded in 2005. Taxation disallowed the carry forward because it did not have a authorization letter from the Council.**

**Mr. Garrahy stated that All Paint must give the Council specific authorization to make public the letter that they received from the Division of Taxation informing them that the credit was disallowed because it is a private document.**

**Mr. Varin asked for a motion to continue All Paints request to the next meeting of the Council. The motion was made by Mr. Wood, and was seconded by Mr. Caniglia. The motion was unanimously approved.**

**Mr, Crisman asked that the company's receive notification from the Council of the Council's action. Mr. Barros agreed to do so.**

**Under old business Mr. Varin directed the Council's attention to the town resolution and notice of public hearing from the town of West Warwick that were in the agenda packages, and asked for a motion to acknowledge that West Warwick has satisfied the conditions place on its re-designation by the Council at the last meeting.**

**Mr. Wood moved the motion and was seconded by Mr. Langley. All voted in favor and the motion passed unanimously.**

**Mr. Varin asked if there was any other business to come before the Council. Mr. Barros provided an update on the status of the program and it proposed elimination. He told the Council that he had spoken with David Sullivan, the Chief Tax Administrator, and he confirmed that the program was targeted for elimination, along with other tax credits as a part of the governor's tax reform policy but wasn't sure how it was going to be implemented.**

**Mr. Varin stated that the local points of contact should try to keep as informed as they can in order to adequately inform local member business as to the status of the program.**

**Mr. Crisman expressed his frustration with the lack of information concerning the governor's plan to eliminate the EZ tax credit. He referred to an e-mail from David Sullivan, the Chief Tax Administrator, addressed to Mr. Barros as an example of the lack of information out there.**

**Mr. Thomas asked if there had ever been a fiscal analysis done of the program to determine the cost of the program to the state.**

**Mr. Barros said that attempts have been made but no defining analysis had been done in over ten years. He continued by stating**

that the challenge is quantifying the amount of the award credit that is actually utilized by a certified business. A company may be certified for a \$10,000 EZ tax credit but how much is claimed by the business on its tax return depends on its tax liability in that particular tax year.

A general discussion ensued about the correct methodology for measuring the costs and benefits of the program.

There being no other business to come before the Council, Mr. Varin asked for a motion to adjourn. Mr. Wood moved to adjourn. Mr. Langley seconded the motion. The motion was approved unanimously and the meeting was adjourned at 11:06a.m.